

**FORM ADV Uniform Application for Investment Adviser Registration
Part 2A: Investment Adviser Brochure
Item 1: Cover Page**

John T. McCarthy, LLC

CRD # 119933

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Issue date: February 22, 2021

This brochure provides information about the qualifications and business practices of John T. McCarthy, LLC. If you have any questions about the contents of this brochure, please contact us at the phone number listed above.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Please note, where this brochure may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.

Additional information about McCarthy and its representatives is also available on the SEC's website at www.adviserinfo.sec.gov

Item 2: Material Changes

Due to a series of recent changes in securities regulation, investment advisers are now required to deliver disclosure information in this new narrative format (“Form ADV Part 2”). This brochure incorporates the same features and information provided previously within the Form ADV Part II. The last annual update was dated February 22, 2021

Updates to the information contained within this brochure will be provided to clients on an annual basis, unless more frequent updates are required by law. This section will be updated to reflect such changes in a summary form. Should you have any questions related to these disclosures, please contact a firm representative at your convenience.

Additional information about John T. McCarthy, LLC (“McCarthy”) and its representatives is also available on the SEC’s website at www.adviserinfo.sec.gov.

Financial planning and investment advisory fees were adjusted to better reflect practice. Clients will now experience a similar fee but the fee will be fixed annually and will not increase unless agreed by the client and McCarthy.

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Item 4: Advisory Business

Established in 2001 by managing member John T. McCarthy III, John T. McCarthy, LLC. (“McCarthy” or the “Firm”) provides investment advisory and financial planning services to individuals. John T. McCarthy is the sole owner and manager of McCarthy.

Investment advisory and financial planning services are tailored to the individual needs of each client (hereafter “Client” or “Clients”). Clients may impose restrictions on investments if desired.

Provide Financial planning services to include cash flow management, income tax review, investment allocation and investment review, planning for life insurance needs, planning for disability insurance needs, planning for long term care insurance needs, and planning for other insurance needs. Review estate plan work with attorney and accountants as needed. Meet often with clients.

McCarthy is a registered investment adviser in Ohio, Washington and Idaho.

Assets Under Management: McCarthy manages Approx. \$ 135,295,387.51 in non-discretionary funds with Approx. 972 Client accounts as of February 22, 2021.

Item 5: Fees and Compensation

McCarthy is compensated for two distinct services: Investment Advisory services and Financial Planning. McCarthy’s Investment Advisory services are billed on an annual fixed fee basis, negotiated between the Client and McCarthy. The annual fixed fee is not subject to increase unless agreed in writing by the Client and McCarthy. The annual fixed fee is billed in four quarterly installments each calendar quarter in advance (billed approximately January 15, April 15, July 15, and October 15). The minimum fixed fee for Investment Advisory services is \$3,000 per year. The maximum Investment Advisory fee is \$50,000 per year.

As a further limitation to the maximum fixed fee for Investment Advisory services, the annual fixed fee in a given year exceed 1.50% of Assets Under Management (“AUM”), as determined on the Effective Date, and annually on the anniversary of the Effective Date for each year thereafter. If the annual fixed fee stated in this section exceeds 1.50% of AUM, the annual fixed fee will be adjusted to equal 1.50% of AUM.

If Client’s assets (the “Account”) are managed by McCarthy for a partial quarter, the fixed fee will apply for that quarter on a pro rata basis. Upon termination of McCarthy’s Investment Advisory services prior to the end of a quarter, Client shall be entitled to a

refund on a pro rata basis of any fees paid in advance for that quarter.

Financial Planning services are billed at a fixed fee that is no less than \$500, nor more than \$3,000 per year, which will be billed in four quarterly installments each calendar quarter in advance (billed approximately January 15, April 15, July 15, and October 15). If Client has retained Adviser's Investment Advisory services and Client's AUM is \$300,000 or more, the fee for Financial Planning services will be discounted to zero cost as a value-added service.

Fees are not required to be paid more than three months in advance. The Investment Advisory fee may not be prepaid more than six months in advance.

Client fees are billed and not directly debited from the Account.

The Investment Advisory fixed fee and the Financial Planning fixed fee may cause the total fees to be higher than the fee typically charged by other investment advisory firms for similar services. This disclosure is necessary if the total annual fees are 2% of AUM or higher.

McCarthy's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which are incurred by Client. Clients incur certain charges imposed by custodians, brokers, third party investment and other third-parties. Examples of these fees are fees charged are:

- Fees by other investment managers,
- Custodial fees,
- Deferred sales charges,
- Transfer taxes,
- Wire transfer, and
- Electronic fund fees and other fees and taxes on brokerage accounts and securities transactions.
- Estate planning charges
- Accountant fees
- Insurance fees

Mutual funds and exchange-traded funds also charge management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to McCarthy's fees, and McCarthy will not receive any portion of these commissions, fees and costs.

Clients should refer to Section 12 for a discussion of brokerage.

At least Annually, the adviser will send the client a written invoice, including the fee, the formula used to calculate the fee, the time period covered by the fee, and, if applicable,

the amount of assets under management on which the fee was based. The adviser will send these to the client concurrent with the request for payment or payment of the adviser's advisory fees. We urge the client to compare this information with the fees listed in the account statement.

Termination of Advisory Relationship: The advisory relationship between the Client and McCarthy may be terminated as provided in the Client's agreement. The Client is entitled to a refund of any prepaid but unearned fees. The refund is prorated by the month.

Item 6: Performance-based fees and Side-by-Side Management

McCarthy does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the Client's assets).

Item 7: Types of Clients

McCarthy provides investment advisory services and financial planning services to individuals, trusts and estates.

McCarthy does not have any requirements for opening or maintaining account. An agreement is discussed with Client and Client determines if they wish to enter into an advisory relationship. The agreement is reviewed, signed by Client and McCarthy, and renewed annually unless Client or McCarthy terminates the advisory relationship as provided in the agreement. The total annual fee must be at least the minimum fee.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss

McCarthy's investment approach is fundamental. Fundamental analysis is defined as a general assessment based upon various factors including:

- sale price,
- asset value,
- market structure,
- and history.

The types of investments recommended are:

- equity securities (including exchange listed securities, securities traded over-the-counter, and foreign issuers),
- warrants,
- corporate debt securities,
- commercial paper,

- certificates of deposit,
- municipal securities,
- investment company securities (including variable life insurance, variable annuities and mutual fund shares),
- U.S. government securities,
- options on contracts (including securities and commodities),
- futures contracts (on tangibles and intangibles),
- interest in partnerships investing in real estate,

- direct real estate,
- oil and gas interests and business interests.

When investments cannot be found at attractive prices, then cash will be held. Investments will typically be sold in the following situations:

- (1) the reasons for purchase are no longer valid,
- (2) the security has reached its target price (and conditions do not warrant raising the target),
- (3) substantial market risk exists, and/or
- (4) a better investment opportunity is available.

The main sources of research information used by McCarthy include:

- financial newspapers and magazines,
- research materials prepared by others,
- corporate rating services,
- timing services,
- annual reports,
- prospectuses,
- filings with the United States Securities and Exchange Commission,
- and company press releases.

McCarthy uses the following strategies in its investment advisory business:

- long-term purchases (securities held longer than one year),
- short-term purchases (securities sold within a year),
- trading (securities sold within 30 days),
- short sales,
- margin transactions and option writing,
- including covered options,
- uncovered options or spreading strategies.

Risk of Loss: Investing in securities involves a certain amount of risk of loss that Client should be prepared to bear. The material risks involved with the above types of investments recommended are:

- equities securities involve liquidity risk, principal risk, and company specific risk,
- debt instruments involve liquidity risk, credit risk, principal risk, and inflation risk,
- options and futures involve liquidity risk, principal risk, and a leveraged risk of loss or gain,

- real estate investments involve location risk, principal risk, liquidity risk, leverage risk,
- oil and gas interests involve depletion risk, liquidity risk, principal risk, company specific risk, and location risk.
- business interests involve product risk, principal risk, team risk, liquidity risk, additional education may be needed.

All investments could have a combination or possibility of the following types of risk: interest rate risk, business risk, credit risk, taxability risk, call risk, inflation risk, liquidity risk, market risk, reinvestment risk, social/political or legislative risk, currency or exchange rate risk, location risk, leverage risk, and principal risk.

Additionally, where short-term trading methods are employed, the cost of more frequent trades can often incur more expense than that of a more conservative or long-term purchase approach. Questions regarding these risks and/or increased costs may be directed to McCarthy and its representatives.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of McCarthy or the integrity of McCarthy's management. McCarthy has no information applicable to this Item.

Item 10: Other Financial Industry Activities and Affiliations

McCarthy does not participate in any other financial industry activities or maintain any affiliations.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

McCarthy has adopted a Code of Ethics for all supervised persons of McCarthy describing its high standard of business conduct, and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, restrictions on the acceptance of gifts and the reporting of certain gifts and business entertainment items and personal securities trading procedures, among other things. All supervised persons at McCarthy must acknowledge the terms of the Code of Ethics annually, or as amended. A copy of McCarthy's Code of Ethics may be obtained by contacting John T. McCarthy at (509) 370-2975.

McCarthy and its representatives may generally purchase or sell investments for their personal accounts that they have similarly recommended to Clients. While McCarthy

endeavors at all times to put the interests of its Clients first as part of its fiduciary duty, Clients should be aware that the personal trading involving recommended securities may create a conflict of interest, and may affect the judgment of the individual making the recommendation.

Item 12: Brokerage Practices

Clients are required to direct McCarthy to use the Client's broker custodian (an independent third party qualified custodian). McCarthy primarily uses Charles Schwab, and TD Ameritrade.

Client must direct McCarthy to use the Client's broker custodian for the placement of Client transactions. Because of this, McCarthy may be unable to achieve most favorable execution of Client transactions and directing brokerage may cost Client more money. All Client transactions are approved by Client in advance and therefore, McCarthy does not aggregate multiple Client transactions together, negotiate commissions, obtain volume discounts, or otherwise guarantee that it can achieve best execution on each Client's transactions.

As McCarthy recommends more than one broker custodian, McCarthy is neutral as to which broker a Client selects and directs us to use. McCarthy does due diligence on any broker custodian recommended to Clients, including a review of the broker custodian's blend of services, execution and access to mutual funds and other transactions.

If Client elects to use TD Ameritrade and Charles Schwab McCarthy may receive soft dollars in terms of research or other tools from these broker custodians, resulting in a potential conflict of interest. The choice of broker custodian, however, is Client's.

Item 13: Review of Accounts

Accounts are regularly reviewed by John T. McCarthy, McCarthy's managing member. Accounts are targeted for review no less than quarterly and annually, or more frequently as needed by the Client. For each review, a portfolio statement is prepared, along with current recommendations and correspondence concerning implementation of financial planning or other investment matters.

Clients also receive written statements no less than quarterly from applicable qualified custodian or trustee. Such statements generally show the value of account holdings, current price at close of the period, and purchases and sales for the period. In addition, Clients receive other supporting reports from mutual funds, asset managers, trust companies or custodians, insurance companies, broker/dealers and others who are involved with Client accounts.

Clients are encouraged to contact John T. McCarthy immediately with any changes to their financial situation as such changes may impact the status of their investment account(s).

Item 14: Client Referrals and Other Compensation

McCarthy receives no remuneration for its recommendation of Clients to various brokers. McCarthy Clients may directly receive a reduction in fees from the broker because they may be considered institutional clients and not retail clients of broker.

Item 15: Custody

McCarthy does not maintain or accept custody of Client funds or securities.

Item 16: Investment Discretion

McCarthy does not accept discretionary authority to manage securities accounts on behalf of Clients. Securities transactions must be approved with clients and John T. McCarthy.

Item 17: Voting Client Securities

McCarthy does not vote, nor advise Clients how to vote, proxies for securities held in Client accounts. Client maintains the authority and responsibility for the voting of these proxies. McCarthy and its Clients agree to this by contract.

Clients receive their proxies or other solicitations directly from the transfer agent of their designated custodian where applicable. Clients may telephone McCarthy with any questions about particular solicitations

Item 18: Financial Information

Under Rule 206(4)-4 of the Investment Advisers Act of 1940, investment advisers are required to disclose certain financial information about their business practices that might serve as material to Client's decision in choosing an investment adviser.

As of the date of this filing, McCarthy does not require the pre-payment of any fees six months or more in advance, nor maintain any financial hardships or other conditions that might impair its ability to meet its contractual obligations to Clients.

Item 19: Requirements of State Registered Advisers

McCarthy requires that persons providing investment advice are college graduates and have former vocational and/or investment experience. John T. McCarthy is a Certified Financial Planner (“CFP”) and Chartered Financial Consultant (“ChFC”). John T. McCarthy is McCarthy’s sole owner, manager and executive officer.

CFP qualifications are met by passing six (6) two hour exams and passing a comprehensive exam. Participants must also meet an experience requirement.

ChFC qualifications are met by passing ten (10) two hour exams.

Both qualifications impose continuing education requirements.

Please refer to Item 10 of Part 2A for further information with respect to other activities and affiliations of McCarthy and its personnel. Part 2B will be physically attached to Part 2A when distributed.

Please refer to Part 2B for further information with respect to firm personnel.

Miscellaneous: Additional Information

Privacy Policy:

McCarthy prohibits the disclosure of any Client related non-public or personal information to third parties unless authorized by the Client or as otherwise provided by law. A copy of McCarthy’s Privacy Policy is available by contacting John T. McCarthy at (509)370-2975.

John T. McCarthy, LLC

CRD # 119933

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Issue date: March 22, 2020

This brochure provides information about the qualifications and business practices on the following individual as a representative of John T. McCarthy, LLC. This information is provided as a supplement to the Form ADV Part 2A which has been provided for your review. Should you have any questions about this supplement, or if you have not received the Form ADV Part 2A please contact McCarthy immediately.

The information in this brochure supplement has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Please note, where this brochure supplement may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.

Additional information about McCarthy and this representative is also available on the SEC's website at www.adviserinfo.sec.gov

Item 2: Educational Background and Business Experience

Name: John T. McCarthy, III Managing Member

Year Born: 1965

Education: Lake Superior State University, BS, 1988
Major in Finance and Economics
Major in Business Administration Management
Capital University, MBA, 1992
Certified Financial Planner (“CFP”), 1995
Chartered Financial Consultant (“ChFC”), 1995

CFP™ - The Certified Financial Planner designation is awarded by the Certified Financial Planner Board of Standards (www.cfp.net) to those candidates that have successfully completed a rigorous course of study. The Board further requires charter holders to maintain certain ethical and professional standards of excellence.

ChFC™ – Awarded by The American College (www.theamericancollege.edu) , the Chartered Financial Consultant designation is awarded to those candidates that hold at least 3 years of experience within the financial services industry and maintain the College’s professional, ethical, and continuing education requirements,

Series 7 Exam- Successfully passed Series 7 exam.

Business Experience:

1992 to Present John T. McCarthy LLC

Item 3: Disciplinary Information

Mr. McCarthy does not have any legal, civil, criminal, regulatory, or disciplinary history to report at this time.

Item 4: Other Business Activity

Mr. McCarthy offers fee only investment advisory services, as well as financial planning services that include retirement planning, education planning, cash flow planning and disability planning.

Item 5: Additional Compensation

Other than fees received in connection with his investment advisory and financial planning services, Mr. McCarthy does not receive any additional compensation. Mr. McCarthy has various LLC interests in rental real estate. These are passive investments and clients are not allowed to invest in these investments in any capacity.

Item 6: Supervision

John T. McCarthy is a sole owner and maintains the responsibility to supervise the operation of his firm. This supervision extends to the ongoing review of McCarthy's business practices and monitoring the advice given to Clients. Mr. McCarthy is McCarthy's sole investment adviser representative. Questions related to the operation of McCarthy may be directed to Mr. McCarthy at the phone number listed on the cover of this brochure supplement.

Item 7: Requirements for State-Registered Advisors

McCarthy is not compensated by performance-based fees.